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FEDERAL COMMUNICATIONS COMMISSION MEDERAL COMMUNICATIONS COMMISSION Before the

OFFICE OF THE GEORETICAL

In the Matter of IB DOCKET NO. 98-192 DIRECT ACCESS TO THE) File No. 60-SAT-ISP-97 INTELSAT SYSTEM

The Commission TO:

COMMENTS OF THREE ANGELS BROADCASTING NETWORK, INC.

Three Angels Broadcasting Network, Inc. ("3ABN"), by counsel, hereby submits its Comments in response to the Commission's Notice of Proposed Rulemaking ("NPRM"), FCC 98-280, released October 28, 1998, in the above-identified proceeding.

In this proceeding, the Commission proposes to allow satellite carriers and users to have direct access to order and use the international satellite facilities of Intelsat. Currently, capacity on Intelsat's facilities may be ordered and purchased only through the auspices of the United States Signatory, Comsat. These limited Comments are offered in response to the Commission's specific request in Paragraph 44 et seq. of the NPRM for information about the potential benefits that would accrue from allowing direct access to Intelsat by users.

3ABN is a private nonprofit producer and distributer of religious and educational television programming, with offices, studios and satellite uplink facilities at West Frankfort, Illinois. 3ABN distributes a 24-hour television program stream, seven days per week. It produces most of that

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programming in its own production facilities. The programming is distributed via satellite to more than 100 broadcast and 50 cable outlets throughout the United States, as well as by Direct Broadcast Satellite.

3ABN's 24-hour program stream is also distributed via Intelsat satellite facilities to Europe where it is received and used at more than 1,000 downlinks all across that continent. This transmission occupies nine megahertz of K-band transponder capacity which 3ABN leases on a full-time basis.

Of course, as the present rules dictate, 3ABN purchases this Intelsat capacity through Comsat. 3ABN's cost to purchase this capacity at current prices through Comsat is approximately \$78,000 per month. The cost to purchase this same capacity directly from Intelsat would be about half of that figure, or \$39,000 per month. On an annual basis, this cost differential amounts to \$468,000. Thus, the elimination of the requirement to purchase capacity through Comsat would result in savings to 3ABN of nearly a half million dollars per year.

If 3ABN were able to realize such savings, it could divert those economic resources into improving the quality and quantity of its programming. All of the savings that 3ABN could realize from the proposed restructuring of the manner and methods of conducting business in international satellite facilities would result in improvements in its programming services to the American public, and in the programming which is exports overseas. As a nonprofit eleemosynary organization, 3ABN's cost savings do not enhance corporate profits, share-

holders' dividends or executives' salaries. Reductions in distribution costs would directly result in enhancements of the services and products which 3ABN provides to the public.

It appears that allowing satellite users -- especially nonprofit users such as 3ABN -- to have direct access to Intelsat could create a climate quite beneficial to the end users and consumers of the products and services provided by satellite -- both domestically and internationally. The public policy benefits to be derived in such a climate are reason enough to adopt the changes proposed by the FCC in the subject NPRM. 3ABN respectfully urges the Commission to amend its rules to allow Level 3 direct access to Intelsat.

Respectfully submitted

THREE ANGELS BROADCASTING NETWORK, INC.

Bv:

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